



**transformers &
rectifiers (india) ltd**

An ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018 CERTIFIED

Q3 - FY 2019-20 - Presentation

14th February, 2020

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FINANCIALS - STANDALONE



Particulars (Rs. in Lakhs)	Q3 FY 2019-20	Q3 FY 2018-19	9 Months FY 2019-20	9 Months FY 2018-19
Revenue from Operations (Gross)	20,492	19,349	52,132	60,365
Other Income	126	219	1,547	851
Total Income	20,618	19,568	53,679	61,216
Expenditure				
Cost of Raw Materials	16,161	15,434	40,080	47,960
Employee Cost	816	774	2,236	2,286
Other Expenditure	2,065	2,205	6,684	6,492
Depreciation	445	436	1,354	1,272
Finance Cost	1,009	1,002	2,993	3,246
Profit Before Tax	122	(283)	332	(40)
Less : Tax	47	(69)	115	(2)
Add: Other Comprehensive Income	(1)	(3)	(2)	(13)
PAT after Comprehensive Income	74	(217)	215	(51)
EBITDA	1,576	1,155	4,679	4,478
<i>EBITDA Margin</i>	7.64%	5.90%	8.72%	7.32%
<i>PAT Margin</i>	0.36%	-1.11%	0.40%	-0.08%

Q3FY 2019-20 RESULT HIGHLIGHTS



Q3 FY 2019-20

- Revenue from Operations stood at Rs. 206.18 Cr increased by 5% as compared to Q3 FY 2018-19 due to better product mix.
- EBIDTA stood at Rs.15.76 Cr as compared to Rs. 11.55 Cr during Q3FY 2018-19 due to better product mix and reduction in operational expenses.

9M FY 2019-20

- Revenue from Operations stood at Rs. 536.79 Cr, decreased by 12% as compared to 9M FY 2018-19 due major decrease in sales in H1 2019-20.
- EBIDTA stood at Rs. 46.79 Cr as compared to Rs. 44.78 Cr during 9M FY 2018-19 due to better product mix.

FINANCIALS - CONSOLIDATED



Particulars (Rs. in Lakhs)	Q3 FY 2019-20	Q3 FY 2018-19	9 Months FY 2019-20	9 Months FY 2018-19
Revenue from Operations (Gross)	21,084	19,587	53,783	61,349
Other Income	113	197	1,499	710
Total Income	21,197	19,784	55,282	62,059
Expenditure				
Cost of Raw Materials	16,106	15,010	39,873	47,317
Employee Cost	883	840	2,426	2,470
Other Expenditure	2,464	2,616	7,938	7,510
Depreciation	487	476	1,481	1,385
Finance Cost	1,046	1,028	3,095	3,327
Profit Before Tax	211	(186)	469	50
Share of profit/ (loss) of associates and joint ventures	9	0	9	0
Less : Tax	73	(1)	181	65
Add: Other Comprehensive Income	(1)	(3)	(2)	(13)
PAT after Comprehensive Income	146	(188)	295	(28)
EBITDA	1,744	1,318	5,045	4,762
<i>EBITDA Margin</i>	8.23%	6.66%	9.13%	7.67%
<i>PAT Margin</i>	0.69%	-0.95%	0.53%	-0.05%

Q3 FY2019-20 RESULT HIGHLIGHTS

Consolidated



Q3 FY 2019-20

- Revenue from Operations stood at Rs. 211.96 Cr increased by 7% as compared to Q3FY 2018-19.
- EBIDTA stood at Rs. 17.43 Cr as compared to Rs. 13.18 Cr during Q3FY 2018-19.

9M FY 2019-20

- Revenue from Operations stood at Rs. 552.81 Cr, decreased by 11% as compared to 9M FY 2018-19.
- EBIDTA stood at Rs. 50.44 Cr as compared to Rs. 47.62 Cr during 9M FY 2018-19.

OPERATIONAL PERFORMANCE



Particulars	Q3 FY 2019-20		Q3 FY 2018-19		9 Months FY 2019-20		9 Months FY 2018-19		FY 2018-19	
Sales MVA										
Upto 220kV	3014		3615		6374		11977		16294	
Above 220kV	1775		840		6805		3925		5515	
Particulars	Q3 FY 2019-20		Q3 FY 2018-19		9 Months FY 2019-20		9 Months FY 2018-19		FY 2018-19	
Sales Breakup - Customer Segment	In Crore	%	In Crore	%	In Crore	%	In Crore	%	In Crore	%
Utilities (SEBs, Rail and Utilities etc.)	125	60%	125	65%	280	52%	396	66%	540	65%
Industrial (incl. renewables)	56	27%	61	32%	216	40%	147	24%	218	26%
Exports (Incl. Third Party Exports - Utilities & Power)	27	13%	7	4%	43	8%	61	10%	75	9%
Total	208	100%	193	100%	539	100%	604	100%	833	100%

MAJOR MARKET UPDATES



- Orders in hand (Status as on 31-Jan-2020) - Rs. 1160.65 Crs.
- The Company has been awarded the order of Transformers amounting to Rs. 126 Crs from one of the Central Utility.
- The Company has been awarded the order of Transformers amounting Rs. 89 Crs from a State Transmission Utility.
- The Company has been awarded the order of Transformers amounting Rs. 69 Crs from a one of subsidiary of Central Utility.
- The Company has received Export order of transformers for US\$ 23.57 Million equivalent to Rs. 166 Crs (World Bank funded project).
- The Company received repeat export order for Transformers amounting to Rs. 23 Crs.
- State Transmission Utility has awarded orders for Reactors for the first time. This will be another business opportunity in future for reactor business.
- The Company has received order as package for Power Distribution and Arc Furnace Transformer from a private entity.

Market Update - Energy sector



Nirmala Sitharaman unveils Rs. 102 lakh crore of infra projects for next 5 years

Power, including renewables; rail, irrigation; mobility; health; and digital form bulk of these Rs 105 lakh crore projects

Out of Rs. 105 Lakh Crores, highest allocation to power sector, which is to the extent of Rs. 24.54 Lakh Crores (23.38%)

Ministry / Department	FY 20-25
Energy	
Power	1175995
Renewable Energy	929500
Atomic Energy	154088
Petroleum and Natural Gas	194666
Total Energy	2,454,249
Roads	
Roads	1,963,943
Total Roads	1,963,943
Railways	
Railways	1,368,523
Total Railways	1,368,523
Ports	
Ports	100,923
Total Ports	100,923
Airports	
Airports	143,398
Total Airports	143,398
Urban	
AMRUT, SMART Cities, MRTS, Affordable Housing, Jal Jeevan Mission	1,629,012
Total Urban	1,629,012
Telecommunication	
Telecommunication	320,498

Strategy to improve margins



1. Improvement in product mix, value added industrial products mainly rectifier transformers, large transformers for arc furnaces and induction furnace transformers.
2. Increase in focus on exports where margins are better.
3. Increase focus on backward integration : Company is already manufacturing tanks at Savas Engineering at our subsidiaries. Company is having a strategy to do backward integration into insulation and bushing. Bushing plant is upgraded to cater new customers due to closure of other competitor plant. We are in process of installing insulation facility in Moraiya plant. Facility will commence from April 20. Bushing and insulation plants are part of backward integration strategy. This will help to increase net margin by 0.25% to 0.50% annually.
4. Company is focusing on reducing inventory and reducing the total cycle time of manufacturing to improve operational efficiency.

STRENGTH



In-house technical & design capabilities

- Design & engineering capabilities developed indigenously & in-house enabling the company to achieve greater customization and cater to niche segments
- Designs structured so as to minimize the losses occurring within the transformer
- Unique distinction of being approved by utilities for power transformers up to 400 kV class without any external technological support

Cost Advantage

- Backward integration providing timely & cost-effective access to critical raw material components
- Installation of new machines (oven) has helped reduce cycle time to manufacture transformers

Wide product portfolio and customer base

- Manufacturing entire range of transformers including power generation, T&D, industrial and certain special transformers
- One of the largest manufacturers of furnace transformers
- Preferred supplier to many utilities & industrial companies in India
- Exported transformers to countries such as England, Canada, U.A.E., South Africa, Saudi Arabia & Indonesia

Well positioned to move up the value chain

- Manufacturing customized transformers & providing requisite on-site and after-sales service support
- Robust business model with revenues split almost equally between utilities & industries
- In house capabilities and self reliance by way of backward integration in FY15.
- Supported with strong technical collaboration with ZTR for 765 Kv transformer & with Fuji for 400/765 KV reactors and 400 Kv generator transformer.
- KEMA, Netherlands BV, the world renowned short circuit testing laboratory, Successfully tested our 315 MVA, 400/220/33 kV, 3 phase autotransformer

PRODUCT PORTFOLIO



Distribution Transformers



Furnace Transformers



Power Transformers

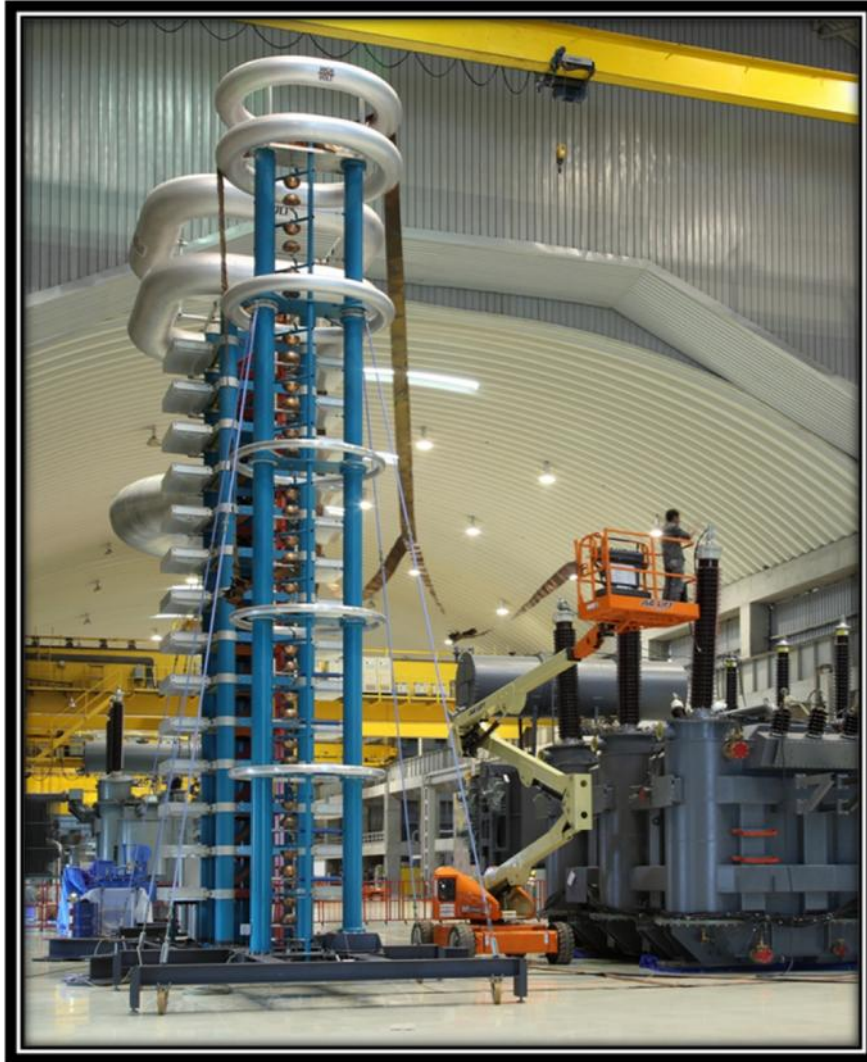


Rectifier Transformers



Classification of transformers	Range	Types
Power Transformer	Upto 1200 kV class	Generator transformer, Unit Auxiliary transformers, Step up & Step down transformers, Interconnecting Auto transformers, Dual Voltage Primary or Secondary Three winding transformers
Shunt Reactor	Upto 765 kV class	Reactors upto 765 kV class
Distribution Transformers	160 kVA and above	Earthing transformers, Three winding transformers, Step up & Step down transformers, Dual voltage Primary or Secondary
Furnace Transformers	105 kA and above	Arc Furnace, Induction Furnace, Laddle Arc Furnace and Submerged Arc Furnace transformers
Rectifier Transformers	Upto 160 kA DC	For DC power sources for Melt and Chemical Industries

TESTING LAB FACILITY



INFRASTRUCTURE

1000 Sq. meter, 25 meter high test bay with shielding suitable for partial discharge measurements

Test Sources

- 3000 kW 50/60 Hz Generator
- 250kV Transformer for High Voltage test
- 0-170kV Source Transformer for losses measurement
- 1500 kW 200Hz Generator
- 50 MVar Capacitor Bank
- 800kV Source Transformer
(provision to increase upto 100MVar)



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THANK YOU

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